



U.S. Attorney's Office

EASTERN DISTRICT OF WISCONSIN

JANUARY 2009

Facts on the United States Attorney's Office

- There are 34 Assistant US Attorneys in the Milwaukee office and 3 in the Green Bay Office.
- 29 AUSAs are assigned to the Criminal Division and 8 are assigned to the Civil Division
- The Federal Victim Witness Assistance Unit provides help to victims of crime while they are involved with the criminal justice system.
- In 2008, our victim witness advocates had contact with approximately 1,500 crime victims.

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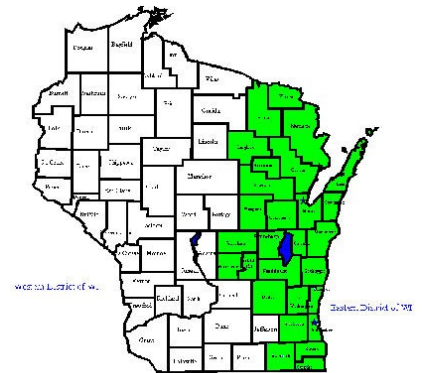
Mission of the United States Attorney's Office

The United States Attorney's Office in the Eastern District of Wisconsin covers the 28 counties in the eastern portion of the state. The population in this area is approximately 3.5 million residents. Our offices are located in Milwaukee and Green Bay.

United States Attorneys are appointed by, and serve at the discretion of, the President of the United States, with advice and consent of the United States Senate. The U.S. Attorney is the chief federal law enforcement officer for the district in which he or she serves. U.S. Attorneys conduct most of the trial work in which the United States is a party. The U.S. Attorneys have three statutory responsibilities under Title 28, Section 507 of the United States Code namely:

- The prosecution of criminal cases brought by the Federal government;
- The prosecution and defense of civil cases in which the United States is a party;
- The collection of debts owed the Federal government that are administratively uncollectible.

Criminal prosecutions handled by U.S. Attorneys include cases involving violations of the federal criminal laws, including organized crime, drug trafficking, corruption, tax evasion, fraud, bank robbery, and civil rights offenses. On the civil side, U.S. Attorneys defend government agencies against a variety of claims for monetary, injunctive and declaratory relief and enforce legislation in the areas of environmental quality, medical / health care services, and fair housing.



2008 Statistics

In 2008, the U.S. Attorney's Office, working in partnership with local, state and federal law enforcement agencies and District Attorney's Offices, opened 313 cases against 511 defendants. These cases include: 89 gun cases, 57 drug trafficking cases, 14 bank robberies, 10 OCDETF (Organized Crime and Drug Enforcement Task Force) cases, 15 Project Safe Childhood (child pornography) cases, 6 tax fraud cases, 23 violations of immigration, 63 fraud (counterfeiting / money laundering / federal program) cases, 11 violent crimes in Indian Country, 6 corruption cases and various other offenses. The average sentence for a gun crime is 5 years. Sentences for drug trafficking cases range from 10 years to life in prison. The average sentence for child pornography crimes is between 7 and 8 years. The average sentence for bank robbery is between 10 and 15 years.

Public Corruption

Former Milwaukee Alderman Michael McGee Jr. was convicted after an eight day trial by a jury in Milwaukee on two counts of extortion, one count of attempted extortion, five counts of corrupt solicitation, and one count of avoiding CTR filing requirements for a \$15,000 cash wire transfer.

McGee was indicted after a year-long investigation began when a store owner contacted the FBI and reported that McGee was demanding money from business owners in his aldermanic district in exchange for McGee's support in obtaining or renewing liquor licenses, zoning variances, 24-hour permits, and other issues before the Common Council.

At trial, the government proved through the testimony of numerous business owners, as well as body-wire and wire taps recordings from McGee's cellular telephones, that McGee was regularly shaking down constituent business owners for political support and was demanding money, food, free cell phones and minutes, and other things of value from them. The business owners were fearful of McGee's power to revoke their liquor licenses or otherwise create problems for their businesses.

On the wiretap and body wire recordings, McGee termed himself the "gatekeeper" for licenses in his district and was heard demanding and collecting thousands of dollars from business owners. McGee was also heard discussing the immense power he anticipated having because of his impending appointment to the Licenses Committee in Spring 2007; he also requested from City Hall staff the contact information and addresses for all 1,200 business owners in the City of Milwaukee who hold liquor or beer licenses.

Since 2003, several other public officials have been convicted of public corruption charges, including a former state senator, four former alderman, and a former county executive.

Violent Gangs

Since the beginning of 2008, the U.S. Attorney's Office has partnered with local, state, and federal law enforcement agencies to fight violent crime. This cooperation has resulted in the dismantling of seven violent gang and drug trafficking organizations that operated throughout southeastern Wisconsin. Because of the dedication and commitment of area law enforcement partners, 177 violent criminals have been indicted for knowingly and intentionally conspiring to distribute controlled substances. If convicted, the vast majority of these offenders face an average sentence of between 10 years and life imprisonment, a fine of up to \$4,000,000, and five years to life on supervised release. A few examples are listed below:

Milwaukee: In February of 2008, after a nine-month investigation by the Milwaukee Police Department, FBI, DEA, and the HIDTA Drug Gang Task Force, 45 members of the 1-9 Nash Street Boys were arrested and indicted in federal court on various drug conspiracy charges. This violent street gang operated around the area of 19th and Nash in the City of Milwaukee.

Racine: In June of 2008, members of the Racine Police Department and the FBI's Greater Racine Gang Task Force concluded an extensive investigation with the arrests of 19 members / associates of the Gangster Disciplines street gang. According to court records, gang members relied on each other to generate drug profits by excluding non-gang members from selling drugs in the area. Members of the gang used intimidation and violence to control their territory.

Waukesha: In July, 27 defendants were indicted in federal court on drug conspiracy charges after a lengthy investigation by personnel assigned to the HIDTA's Heroin Initiative. Drug dealers from Waukesha County purchased heroin in Milwaukee and later resold it in the suburbs. This drug trafficking organization is allegedly responsible for five overdose deaths in the cities of Milwaukee, Waukesha, Muskego, and Pewaukee.

Violent Gangs (continued)

Milwaukee: In July, after a nine-month investigation by Milwaukee Police, HIDTA, FBI and ATF 19 defendants were arrested and charged in a drug conspiracy case. The defendants, many of whom are alleged to be members of or associated with the Trey 8 Mob street gang, were charged with conspiracy to distribute controlled substances. Members of the conspiracy used acts of violence and threats to advance their criminal enterprise and in some cases inflicted serious bodily injuries on their victims.

Latin Kings Trial

Two Milwaukee Latin Kings gang members were convicted after a three-week jury trial on charges of RICO conspiracy and illegal firearms possession. Alan "Icy White" Anderson (23) pleaded guilty during the trial and will be sentenced later this month to ten years in federal prison. Martin Martinez (22) was found guilty of RICO conspiracy and faces a mandatory sentence. Martinez was convicted of two gang related shootings and a homicide. He shot a man four times, twice in the face. Members of the gang believed this man was a Spanish Cobra, which is a rival gang to the Latin Kings.

The trial was the first in a series of federal trials targeting the Milwaukee chapter of the Latin Kings street gang stemming from the 2005 federal indictments of 52 violent Latin Kings gang members. A second trial is expected in late April 2009 with the vast majority of defendants having already pled guilty.

The federal investigation led to convictions for at least six gang related homicides, kidnapping, robbery and over 50 gang-related shootings. The investigation also led to the arrest of Latin King gang members responsible for the murder of a Miller Brewing executive in the Walkers Point area last year. Since the initial indictment and prosecutions, violent crime has significantly decreased in the near south side of Milwaukee.

Child Pornography

William Doyle, III, (54) a retired police officer from Austin, Texas was arrested as the result of an internet sting operation in which a City of Milwaukee Police Department Detective, posing as a fourteen-year old boy, arranged to meet Doyle. The detective had engaged in numerous on-line chats with Doyle during which Doyle engaged in graphic sexual chats and sent images of child pornography. Doyle was charged in federal court with distribution and possession of child pornography, traveling across state lines to engage in a sexual act with a minor, and use of a computer and cell phone to attempt to entice a minor to engage in a sexual act. Doyle pled guilty to enticement and the distribution of child pornography. As a result of the MPD investigation, Doyle was also indicted in Texas on four counts of producing images of child pornography. Doyle's house in Round Rock, Texas was seized as part of this investigation and prosecution.

Eric Gauthier (49), was chatting on-line from his residence in Canada to a woman in the Milwaukee area when he broadcast videos of child pornography. The citizen witness contacted the FBI and an undercover officer engaged Gauthier in online chats acting as a friend of the citizen witness. During these chats, Gauthier transported numerous videos of child pornography to the officer via his webcam. These videos involved children as young as 18 months old being sexually assaulted. He arranged to meet the undercover officer and the citizen witness at a hotel in Idaho. Gauthier promised to bring DVDs containing child pornography. Gauthier was under the impression that he would be having sex with two women who liked the videos he sent over the internet. When Gauthier was arrested in Lewiston, Idaho he was in possession of child pornography. This case was the result of joint investigation by the Milwaukee Police Department's High Technology Unit, the FBI's Cyber Crime Task Force, and the Lewiston, Idaho and Royal Canadian Mounted Police.

Bank Robbery

In May of 2008, Alan L. Simmons, Jr., (29) of Milwaukee, was sentenced to fifteen years in prison for his involvement in the December 31, 2004, armed robbery of the Ozaukee Bank in Cedarburg, Wisconsin. Simmons' co-actors, Antonio L. Mann and Mark D. Campbell, were previously sentenced to federal prison. The bank robbery was aggravated because it involved the home invasion of a bank teller, forcing that teller to go to the bank at gunpoint, waiting for a second teller to arrive at the bank, and then forcing both tellers to provide their vault access codes.

Following a trial in January, a jury found Simmons guilty of conspiracy to commit armed bank robbery and use of a dangerous weapon during a crime of violence. Simmons was considered the mastermind behind the bank robbery. Simmons recruited Campbell to serve as the gunman; introduced Mann and Campbell; made trips to Cedarburg, Wisconsin, to scope out the bank and plan the robbery; agreed to serve as a lookout; and encouraged Mann and Campbell to go through with the bank robbery after their initial attempt to rob the bank failed.

Mortgage Fraud

In December of 2008, following a five day trial, Michael Lock, (37) of Milwaukee was found guilty of nine counts of wire fraud in connection with a mortgage fraud scheme that he devised and executed in the Milwaukee area during 2005 and 2006.

Lock, who co-owned the mortgage brokerage agency World Financial Mortgage, LLC, with co-defendant Jerhonda McCray, was considered to be a leader and organizer of the scheme that involved at least nine others, including loan originators and appraisers. The scheme participants induced mortgage lenders who provided loans for the purchase of rundown properties in Milwaukee's inner city which had been falsely appraised at inflated values. Most of the properties were

purchased by young women who were essentially acting as "straw" buyers. Many of them were duped into believing that they were making investments in properties that were to be managed and improved by Lock and his associates.

Based upon fraudulent loan applications, lenders were falsely led to believe both that the properties were worth far more than their actual value and that the buyers were bona fide purchasers with substantial income and assets, when in fact they had modest incomes and few, if any, assets. After the mortgage loans were funded, the loan proceeds were divided in varying proportions between Lock and his associates, and the loans were allowed to go into default and the properties into foreclosure.

Prosecutors estimate that mortgage lenders advanced in excess of \$2 million to fund mortgages in reliance on the false information provided by Lock and his associates.

This case, and others like it, have serious ramifications not only for the defrauded lenders but also for the residents of the neighborhood where the properties are located. Those residents tend to see their taxes rise based on artificially inflated property values, while the actual value of their own homes decline as the empty properties deteriorate and attract various criminal elements.

Lock, who is also serving two life sentences as the result of homicide and kidnapping convictions in Milwaukee County Circuit Court, will be sentenced by Judge J.P. Stadtmueller on March 19, 2009. He faces up to life in prison on the federal case.

In addition to Lock, eight other defendants who were charged with him pled guilty to wire, mail or bank fraud in connection with this case.

Illegal Purchase of Firearms

Many firearms that are purchased illegally are later used in the commission of crimes. The following four people were charged in separate indictments with illegally purchasing firearms for other persons from a federally licensed gun dealer:

Kellie Bowie, (36) of Milwaukee was charged with six counts of “straw” purchasing. Steven Delker, (34) of Montello, Wisconsin was charged with eight counts of “straw” purchasing. Kizzie Lesure, (31) of Milwaukee was charged with one count of “straw” purchasing. Tabitha Lynch, (39) of Milwaukee was charged with one count of “straw” purchasing.

If convicted each defendant faces face up to 10 years imprisonment, a fine up to \$250,000, or both. In an effort to reduce crime and gun violence, the U.S. Attorney’s Office has been aggressive in prosecuting this type of crime for the last several years.

Income Tax Fraud

In December of 2008, Keith Kuchenbecker (45), of Neenah, Wisconsin, entered a guilty plea in federal court to failing to pay over to the Internal Revenue Service approximately \$197,000 in payroll taxes that had been withheld from the wages of the employees of his business. According to documents filed in federal court, Kuchenbecker, who was the president, owner, and operator of Keith Kuchenbecker Construction, was responsible for paying payroll taxes that had been withheld from the wages of the employees of the business. He was also responsible for filing quarterly payroll tax returns with the IRS. During the period from January 2000 through March 2007, approximately \$206,000 was withheld from employee wages, none of which was paid over to the IRS. In addition to an order of restitution, Kuchenbecker faces a maximum possible penalty of up to five years in prison and fines up to \$250,000, or both.

Employees Receive Awards From the Department of Justice

In October, Assistant United States Attorneys Mel Johnson and Carol Kraft and Paralegal Specialist Theresa L. Kneser received the Attorney General’s Award for Distinguished Service for their work in the Frank Jude case. This case was a high-profile criminal civil rights prosecution in which seven Milwaukee police officers were convicted of brutally assaulting two young black men whom they had falsely accused of a crime.

The Attorney General’s Award for Distinguished Service is the Department’s second highest award for employee performance. The recipients of this award exemplify the highest commitment to the Department’s mission. Last year, only seventeen Distinguished Service Awards were presented to individuals or teams of people throughout the entire country.

In December, Assistant United States Attorney Daniel Sanders received a Director’s Award from the Executive Office of the United States Attorney.

AUSA Sanders was recognized for the investigation and prosecution of multiple violent drug trafficking gangs over the last six years. During that time period, AUSA Sanders indicted 265 defendants in 56 separate cases, and prevailed in every case which he took to trial. From 2004 through 2006, he also served as the Narcotics Chief and Lead Organized Crime and Drug Enforcement Task Force (OCDETF) Attorney. The majority of AUSA Sanders’ cases involved complex investigations using wiretaps and targeted the most violent and prolific drug trafficking organizations in the Eastern District of Wisconsin.

Appointment of Acting United States Attorney

P A G E 6

On Friday, January 9th, Steven M. Biskupic concluded his service as United States Attorney for the Eastern District of Wisconsin. First Assistant United States Attorney Michelle L. Jacobs has been appointed to serve as Acting United States Attorney until a permanent appointment is made by President Barack Obama. This appointment is subject to confirmation by the Senate.

Ms. Jacobs was hired as an Assistant United States Attorney in 1994. Since that time she has held various positions within the office including: Deputy Criminal Chief, Criminal Chief and has served as First Assistant United States Attorney.

2009 Training Programs

The United State Attorney's Office is committed to providing quality training programs at no cost to local law enforcement agencies. Listed below is a tentative training schedule for March, April and May. To register for one of these programs or to be placed on our mailing list, please contact Law Enforcement Coordinator Dean Puschnig at (414) 297-1774 or Anti-Terrorism Program Specialist Elizabeth Makowski at (414) 297-4502.

Program	Date	Location
Counterfeit Currency	March 12th	Oak Creek
Identity Theft and Fraud	March 18th	Brookfield
State Terrorism Conference	April 1 - 2	Stevens Point
Project Safe Childhood - Law Enforcement	April 6th	Milwaukee
Project Safe Childhood - Prevention program for School staff / Liaison Officers / Crime Prevention Officers	April 21st	Milwaukee
Gang Summit - Fox Valley Region	April 23rd	Appleton
Officer Safety / Street Survival - LEOKA	April 28th	Appleton
Human Trafficking	April 29th	Milwaukee
Officer Safety / Street Survival - LEOKA	April 30th	Milwaukee
Project Safe Childhood - Prevention program for School staff / Liaison Officers / Crime Prevention Officers	May 5th	Appleton
Project Safe Neighborhood - Reducing Gun Violence / Characteristics of Armed Gunman	May 11 - 12	Green Bay
Project Safe Neighborhood - Reducing Gun Violence / Characteristics of Armed Gunman	May 13 -14	Milwaukee